

BEFORE THE  
UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

COMPETITIVE PRODUCT PRICES  
INBOUND EMS 2  
(MC2009-10)

Docket No. CP2014-58

PUBLIC REPRESENTATIVE COMMENTS ON  
POSTAL SERVICE NOTICE OF FILING CHANGES IN RATES  
NOT OF GENERAL APPLICABILITY FOR INBOUND EMS 2

(July 21, 2014)

I. SUMMARY

The Public Representative hereby provides comments pursuant to Order No. 2120.<sup>1</sup> In that Order, the Commission established the above referenced docket to receive comments from interested parties, including the undersigned Public Representative, on a Postal Service filing requesting changes in rates not of general applicability for Inbound EMS 2. The Public Representative hereby comments on the July 11, 2014, Notice<sup>2</sup> filed by the Postal Service.

The Public Representative observes that the Postal Service's Notice comports with the provisions of 39 U.S.C. § 3633 and 39 C.F.R. § 3015.5. The Notice provides Inbound EMS 2 rates not of general applicability that will cover costs and the required contribution to institutional costs. The rates appear to be beneficial to the Postal Service, the contract partner and the general public.

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<sup>1</sup> Notice and Order on Changes in Rates Not of General Applicability, July 14, 2014 (Order).

<sup>2</sup> Notice of the United States Postal Service of Filing Changes in Rates Not of General Applicability for Inbound EMS 2, July 11, 2014 (Notice).

## II. DISCUSSION

In the Postal Service's filing it provided materials pertinent to the new Inbound EMS 2 rates. If the Commission approves the rates, they will become effective January 1, 2015, thereby establishing compliance with 39 C.F.R. § 3015.5 and U.S.C. § 3632(b)(3).

The Governors' Decision No. 08-20 established the classification for Tier 1 and Tier 2 rates. Subsequently, the Governors adopted Decision No. 11-6.<sup>3</sup> Both Decisions serve as the basis for the rates adopted in connection with this filing. Notice at 3. The Postal Service incorporates by reference the materials and basic explanations for Inbound EMS 2 filed in Docket No. CP2009-57. *Id.*

The Postal Service proposes new rates for Inbound EMS 2 countries. Tier 1a prices are available to EMS Cooperative members that participate in Pay-for-Performance. Tier 1b prices offer a range of discounts from Tier 1a prices to any EMS Cooperative member that participates in Pay-for-Performance and agrees to grant a reciprocal discount from the charges for delivery of U.S.-origin EMS items in the territory served by such a member. *Id.* Tier 2 rates are available to all other countries not in either Tier 1a or Tier 1b.

## III. CONCLUSION

After reviewing all the documents and cost models filed in this docket, it appears that the Notice demonstrates that the proposed prices are: (1) not cross-subsidized by market dominant products; (2) expected to cover costs; and, (3) expected to provide the required contribution to institutional costs. Therefore, the Postal Service's proposal appears to meet the requirements of 39 U.S.C. § 3633.

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<sup>3</sup> Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements and Other Non-Published Competitive Rates (Governors' Decision No. 11-6).

The Public Representative submits the preceding comments for the Commission's consideration.

Respectfully Submitted,

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